



Monthly Financial Report

Akron Public Schools

For the F.Y. 2016 Month Ending: September

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Overview

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- 4 The district's forecast is being reviewed for approval this month.
- 5 Revenue is up through August because of tax incentive financing (TIF) revenue.
- 6 Expenses are up 8.3% through September, 2015.
- 7 September's estimated revenue was higher than actual revenue.
- 8 FYTD actual revenue is less than estimated.
- 9 Actual expenses are above estimated through September due to timing.
- 10 All expense categories are trending higher than estimated through September.
- 11 The district has received 31.3% of its annual revenue to-date.
- 12 The district's actual expenses to-date are 22.8% of the annual total, in-line with prior years.
- 13 Monthly cash flow balances remain adequate through June 30, 2016.





Updated Forecast Trend For The Month of September, F.Y. 2016

Forecasted Revenue and Expenditures			
Updated (if applicable)			
For the interim forecast period FY 2016 through FY 2018			
	PROJECTED		
	2016	2017	2018
Total Revenue	\$332,326,450	\$335,459,444	\$343,105,783
Replace/Renew Levies	\$0	\$0	\$0
New Levies	\$0	\$0	\$0
Total Expenditures	\$327,086,809	\$337,363,699	\$348,532,259
Revenue Over/(Under)			
Expenditures	\$5,239,641	(\$1,904,255)	(\$5,426,476)
Cash Balance	\$40,046,297	\$38,142,043	\$32,715,567

Variance between Updated and Filed Forecasts

		2016	2017	2018
Total Revenues				
A	Filed Forecast as of May Update, 2015:	\$330,818,881	\$339,235,615	\$349,517,639
B	Updated Forecast as of 10/19/2015:	\$332,326,450	\$335,459,444	\$343,105,783
C	Variance:	\$1,507,569	(\$3,776,171)	(\$6,411,856)
Total Expenditures				
	Filed Forecast as of May Update, 2015:	\$322,606,604	\$333,450,164	\$344,771,357
	Updated Forecast as of 10/19/2015:	\$327,086,809	\$337,363,699	\$348,532,259
	Variance:	\$4,480,205	\$3,913,535	\$3,760,902
Cash Balance				
	Filed Forecast as of May Update, 2015:	\$43,698,779	\$49,484,230	\$54,230,512
	Updated Forecast as of 10/19/2015:	\$40,046,297	\$38,142,043	\$32,715,567
	Variance:	(\$3,652,482)	(\$11,342,187)	(\$21,514,945)

In Perspective:

The district's forecast is being reviewed for approval this month.

The Ohio Legislature was still working on the state's budget when the forecast was updated in May. It is expected that the legislative action will reduce funding by about \$10,000,000 (Line C) over the three year period.

The current projections for expenditures are about 1.4% higher in FY 2016 from previous forecasts. Some of this increase is due to health insurance trends through September, 2015. The bulk of the increase is for community school tuition that ODE finalized in the last quarter of FY 2015.

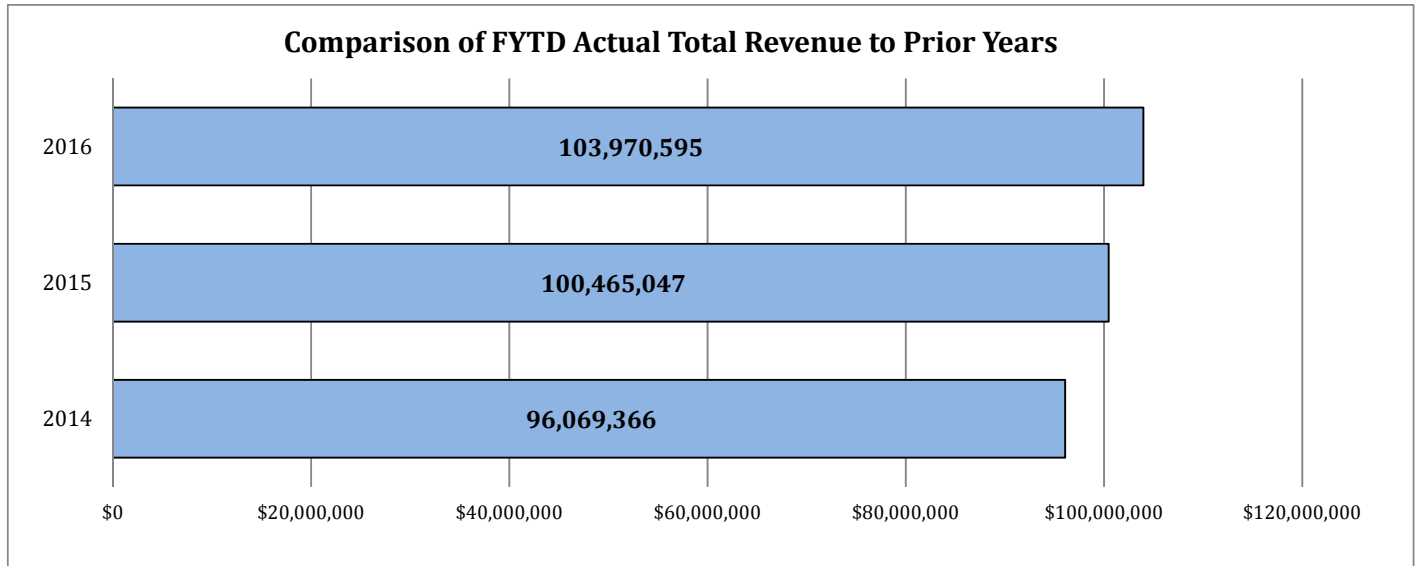
The district's cash balance will be adversely impacted by as much as \$21,514,945 through FY 2018.





Fiscal Year To Date -- Year-Over-Year Revenue Comparison

Analysis of actual revenue for the fiscal year period July - September.



Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - September			F.Y. 2016
		2014 FYTD	2015 FYTD	2016 FYTD	YOY Change
30.6%	Real Estate Taxes	49,860,433	48,751,304	48,389,844	\$ (361,460)
2.6%	Public Utility PP Taxes	3,650,816	4,043,994	4,174,991	\$ 130,997
0.0%	Income Tax	-	-	-	\$ -
50.4%	Unrestricted State-Aid	38,233,959	38,695,815	40,115,809	\$ 1,419,994
7.9%	Restricted State-Aid	726,648	7,197,186	5,288,845	\$ (1,908,341)
5.2%	State Tax Reimb.	2,360	-	1,394,067	\$ 1,394,067
3.2%	Other Revenue	3,590,303	1,772,768	4,596,523	\$ 2,823,755
0.0%	Other Sources	4,846	3,980	10,516	\$ 6,536
100%	Total Revenue	96,069,366	100,465,047	103,970,595	\$ 3,505,548
Total YOY Percentage Change					3.5%

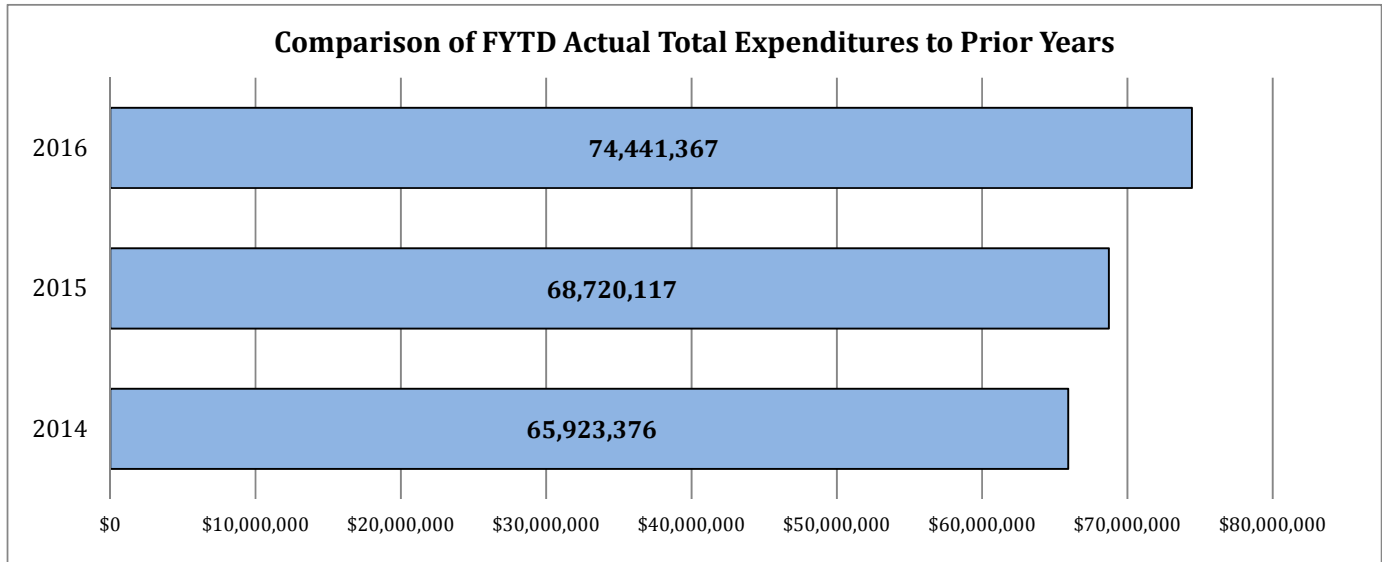
How does revenue compare to prior years?

Revenue is up through August because of tax incentive financing (TIF) revenue.



Fiscal Year To Date -- Year-Over-Year Expenditure Comparison

Analysis of Actual Expenditures for the fiscal year period July - September.



Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - September			F.Y. 2016
		2014 FYTD	2015 FYTD	2016 FYTD	YOY Change
49.2%	Salaries	32,316,375	34,240,884	35,345,360	\$ 1,104,476
20.7%	Benefits	14,216,372	14,043,739	15,461,766	\$ 1,418,027
25.6%	Purchased Services	14,056,599	16,982,619	18,742,681	\$ 1,760,062
2.3%	Supplies	2,281,414	1,791,238	1,889,183	\$ 97,945
1.2%	Capital	1,818,155	545,463	1,778,571	\$ 1,233,108
0.0%	Intergov., Debt, Interest	-	-	-	\$ -
1.0%	Other Objects	1,175,616	1,040,220	1,214,322	\$ 174,102
0.0%	Other Uses	58,846	75,954	9,484	\$ (66,470)
100%	Total Expenditures	65,923,376	68,720,117	74,441,367	\$ 5,721,251
Total YOY Percentage Change					8.3%

How do expenditures compare to prior years?

Expenses are up 8.3% through September, 2015.

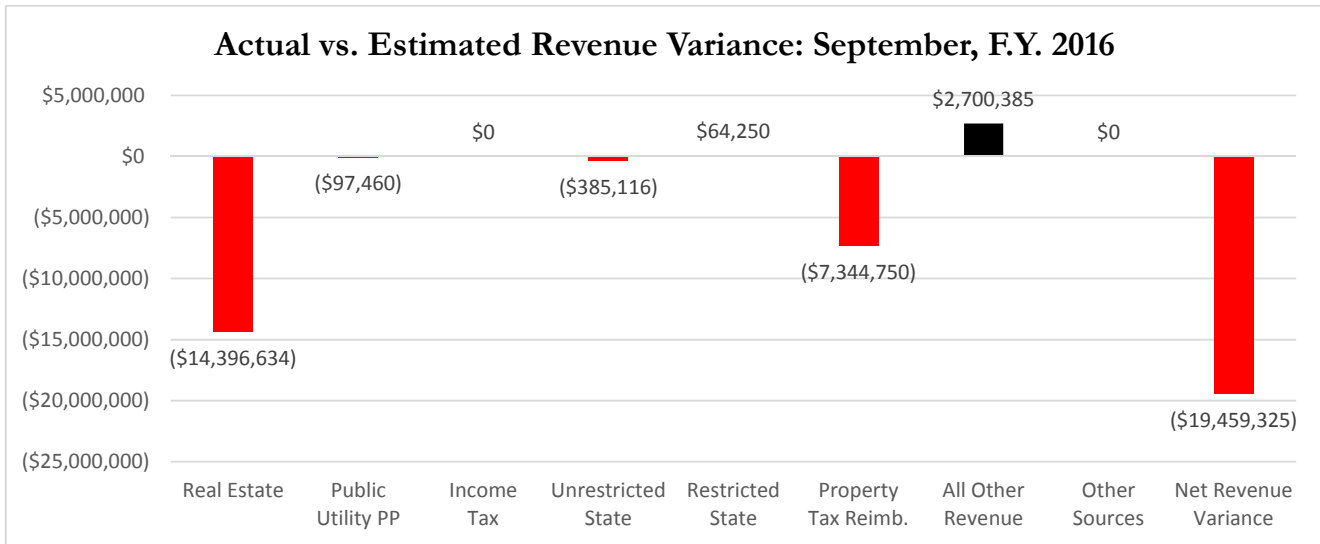
Salaries and benefits are up in response to changes implemented/projected in FY 2016. Health insurance census changes seem to indicate increased cost for the district. This line item will be monitored over the next few months to review the trend and report on forecast impact.

Purchased services are up because the months of July through September reflect the final FY 2015 level of cost, and as such are higher than the same months' levels from a year ago.

Capital is up in response to the timing and implementation of planned capital expenditures.



Month of September Actual Revenue Compared to Estimates



Ref	Revenue:	Actual for the Month of September	Estimated for the Month of September	Actual Over/ (Under) Estimate Variance
Row	For the F.Y. 2016 Month Ending: September			
A	1.010 - General Property Tax (Real Estate)	5,603,366	20,000,000	(14,396,634)
B	1.020 - Public Utility Personal Property	4,174,991	4,272,451	(97,460)
C	1.030 - Income Tax	-	-	-
D	1.035 - Unrestricted Grants-in-Aid	12,870,034	13,255,150	(385,116)
E	1.040 - 1.045 - Restricted Grants-in-Aid	2,114,957	2,050,707	64,250
F	1.050 - Property Tax Allocation	-	7,344,750	(7,344,750)
G	1.060 - All Other Operating Revenues	3,405,812	705,426	2,700,385
H	1.070 - Total Revenue	28,169,160	47,628,484	(19,459,325)
I	2.070 - Total Other Financing Sources	-	-	-
J	2.080 - Total Revenues and Other Financing Sources	28,169,160	47,628,484	(19,459,325)
				-40.9%

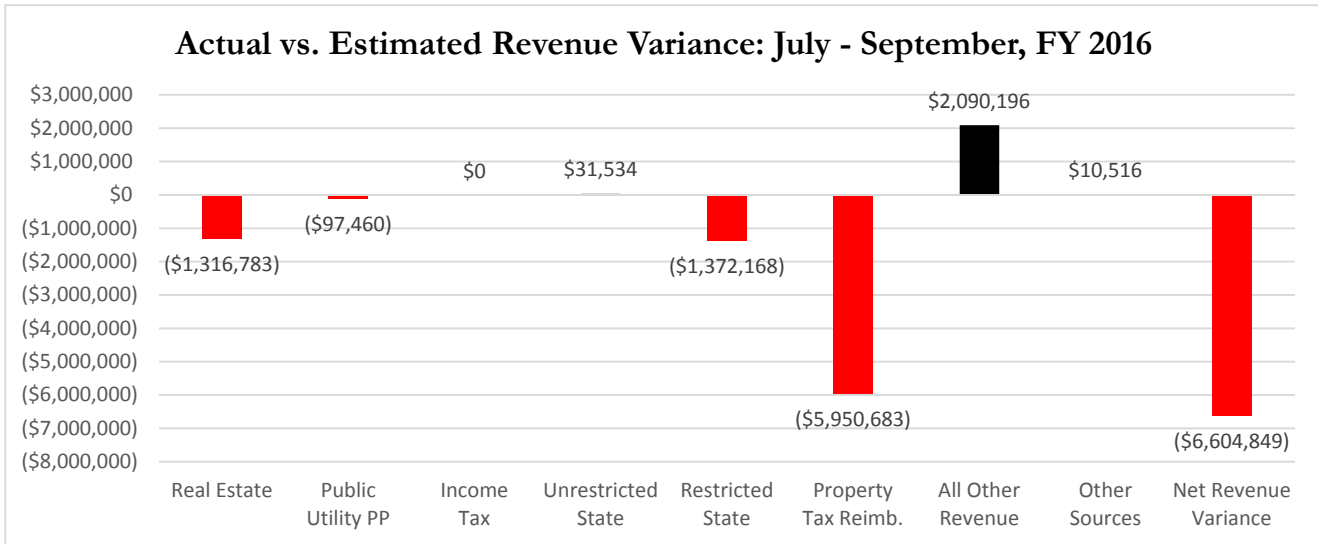
How do revenue cash flow estimates for the month compare to actual?

September's estimated revenue was higher than actual revenue.

The primary cause of the estimate differential is real estate, which was received in August instead of September as originally estimated.



Fiscal Year To Date (July - September) Actual Revenue Compared to Estimates



		Actual	Estimated	Actual Over/ (Under) Estimate Variance
		July - September	July - September	
For the F.Y. 2016 Period: July - September				
K	1.010 - General Property Tax (Real Estate)	48,389,844	49,706,627	(1,316,783)
L	1.020 - Public Utility Personal Property	4,174,991	4,272,451	(97,460)
M	1.030 - Income Tax	-	-	-
N	1.035 - Unrestricted Grants-in-Aid	40,115,809	40,084,275	31,534
O	1.040 - 1.045 - Restricted Grants-in-Aid	5,288,845	6,661,013	(1,372,168)
P	1.050 - Property Tax Allocation	1,394,067	7,344,750	(5,950,683)
Q	1.060 - All Other Operating Revenues	4,596,523	2,506,328	2,090,196
R	1.070 - Total Revenue	103,960,079	110,575,444	(6,615,365)
S	2.070 - Total Other Financing Sources	10,516	-	10,516
T	2.080 - Total Revenues and Other Financing Sources	103,970,595	110,575,444	(6,604,849)
				-6.0%

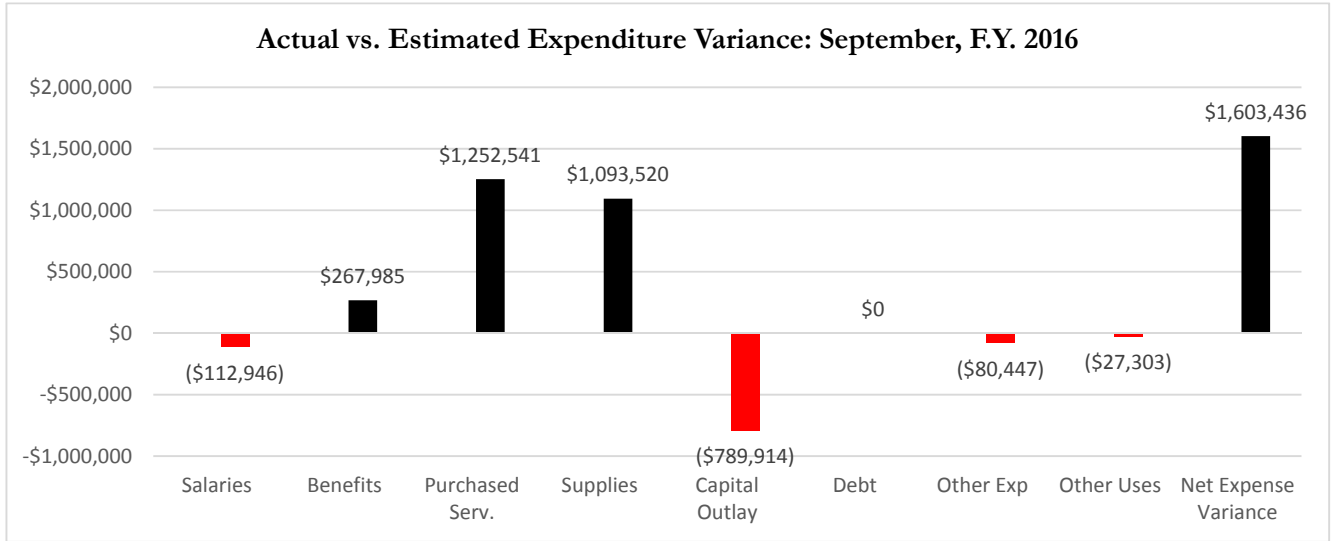
How do revenue cash flow estimates FYTD compare to actual?

FYTD actual revenue is less than estimated.

Real estate tax timing and property tax allocation (real estate tax reimbursements) timing explain the variance.



Month of September Actual Expenditures Compared to Estimates



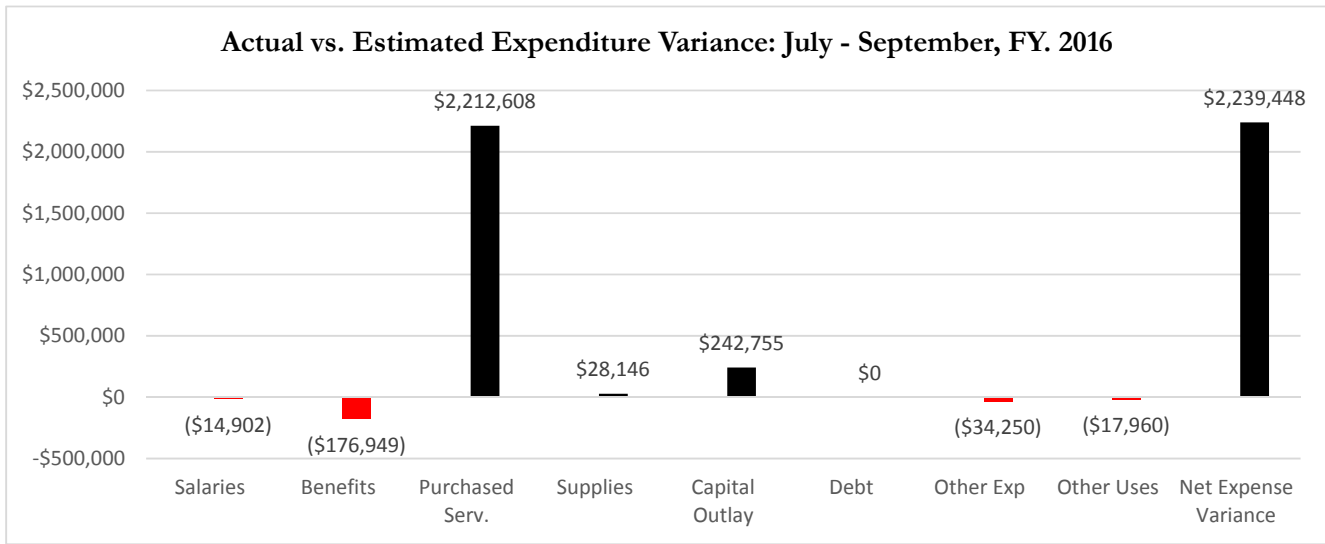
Ref	Expenditures:	Actual for the Month of September	Estimated for the Month of September	Actual Over/ (Under) Estimate Variance
Row	For the F.Y. 2016 Month Ending: September			
A	3.010 - Personnel Services	13,047,834	13,160,780	(112,946)
B	3.020 - Employees' Retirement/Insurance Benefits	6,079,659	5,811,674	267,985
C	3.030 - Purchased Services	7,376,309	6,123,768	1,252,541
D	3.040 - Supplies and Materials	1,497,268	403,748	1,093,520
E	3.050 - Capital Outlay	705,592	1,495,506	(789,914)
F	3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
G	4.300 - Other Objects	968,490	1,048,937	(80,447)
H	4.500 - Total Expenditures	29,675,152	28,044,414	1,630,739
I	5.040 - Total Other Financing Uses	-	27,303	(27,303)
J	5.050 - Total Expenditures and Other Financing Uses	29,675,152	28,071,717	1,603,436
				5.7%

How do expenditure cash flow estimates for the month compare to actual?

Actual expenses are above estimated through September due to timing.



Fiscal Year To Date (July - September) Actual Expenditures Compared to Estimates



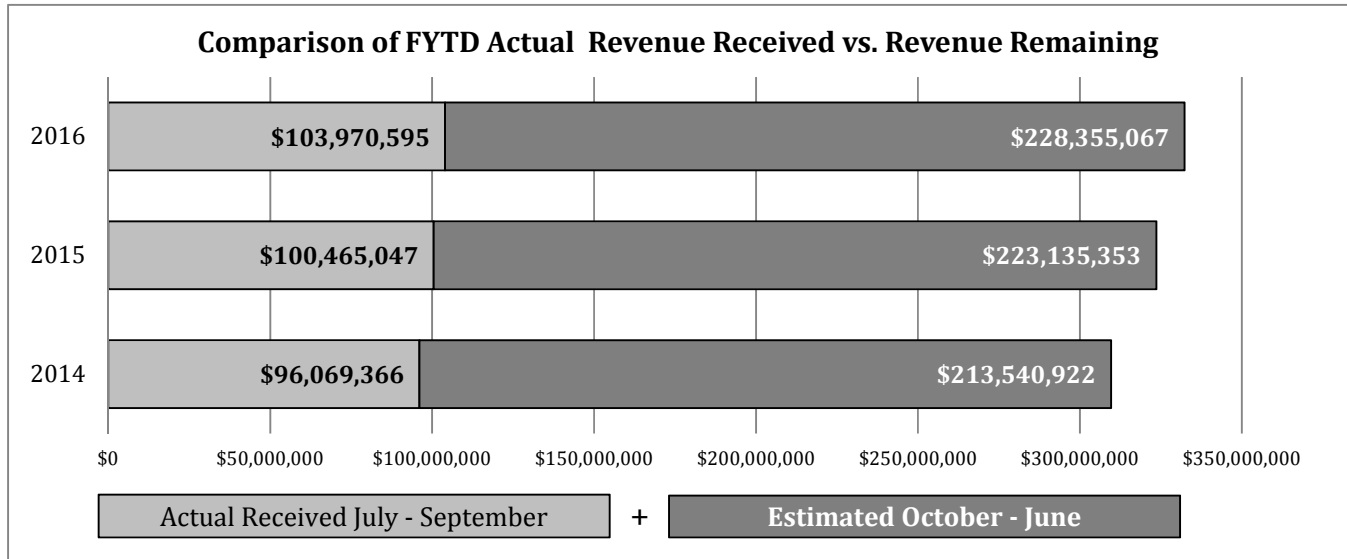
Expenditures:				
For the F.Y. 2016 Period: July - September				
		Actual July - September	Estimated July - September	Actual Over/ (Under) Estimate Variance
K	3.010 - Personnel Services	35,345,360	35,360,262	(14,902)
L	3.020 - Employees' Retirement/Insurance Benefits	15,461,766	15,638,715	(176,949)
M	3.030 - Purchased Services	18,742,681	16,530,074	2,212,608
N	3.040 - Supplies and Materials	1,889,183	1,861,037	28,146
O	3.050 - Capital Outlay	1,778,571	1,535,816	242,755
P	3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
Q	4.300 - Other Objects	1,214,322	1,248,572	(34,250)
R	4.500 - Total Expenditures	74,431,883	72,174,476	2,257,408
S	5.040 - Total Other Financing Uses	9,484	27,444	(17,960)
T	5.050 - Total Expenditures and Other Financing Uses	74,441,367	72,201,919	2,239,448
				3.1%

How do expenditure cash flow estimates FYTD compare to actual?

All expense categories are trending higher than estimated through September.



Fiscal Year 2016 Actual Revenue Plus Remaining Estimated



	FYTD 2016 Actual through July - September	<u>Estimated</u> for Remaining Months October - June	Total Annual Projected from Actual/Est. Cash Flow
Revenue for FY 2016			
1.010 - General Property Tax (Real Estate)	48,389,844	53,392,237	101,782,081
1.020 - Tangible Personal Property Tax	4,174,991	4,540,808	8,715,799
1.030 - Income Tax	-	-	-
1.035 - Unrestricted Grants-in-Aid	40,115,809	127,231,849	167,347,658
1.040 - 1.045 - Restricted Grants-in-Aid	5,288,845	21,031,255	26,320,100
1.050 - Property Tax Allocation	1,394,067	15,988,272	17,382,339
1.060 - All Other Operating Revenues	4,596,523	6,149,163	10,745,686
1.070 - Total Revenue	103,960,079	228,333,583	332,293,662
2.070 - Total Other Financing Sources	10,516	21,484	32,000
2.080 - Total Rev. and Other Financing Sources	103,970,595	228,355,067	332,325,662
	Percentage of Annual Total	31.3%	68.7%

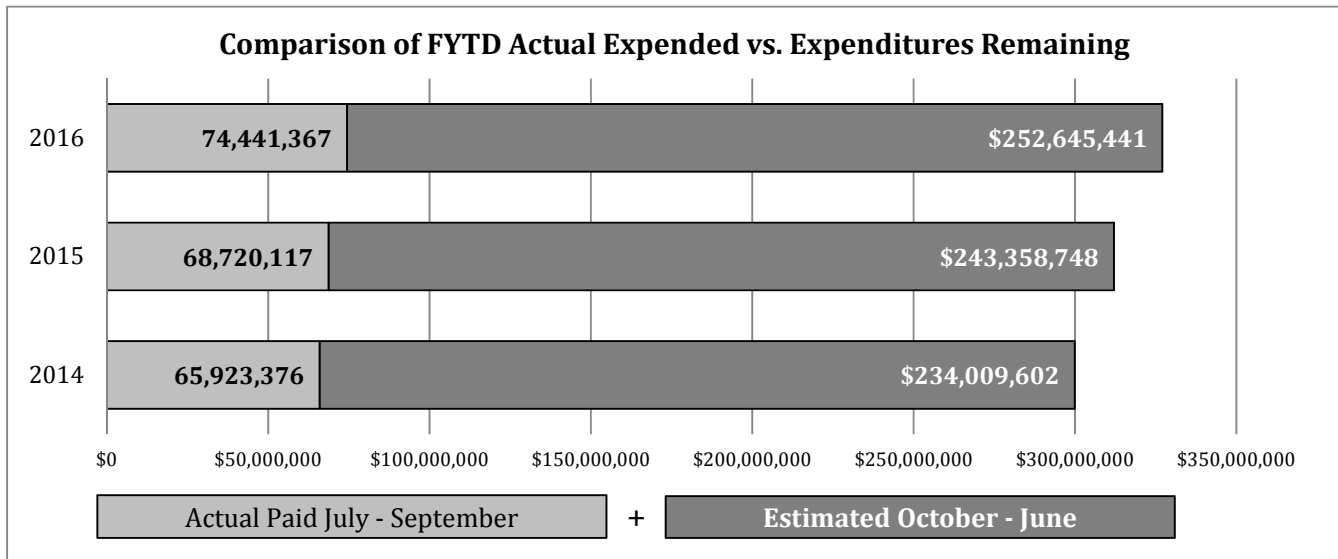
How does FYTD revenue received compare to prior years?

The district has received 31.3% of its annual revenue to-date.

	% of Annual Total Received July - September	% of Annual Remaining October - June
F.Y. 2016	31.3%	68.7%
F.Y. 2015	31.0%	69.0%
F.Y. 2014	31.0%	69.0%



Fiscal Year 2016 Actual Expenditure Plus Remaining Estimated



	FYTD 2016 Actual through July - September	<u>Estimated</u> for Remaining Months October - June	Total Annual Projected from Actual/Est. Cash Flow
Expenditures for FY 2016			
3.010 - Personnel Services	35,345,360	125,534,457	160,879,817
3.020 - Employees' Retirement/Insurance Benefits	15,461,766	52,136,393	67,598,159
3.030 - Purchased Services	18,742,681	64,950,094	83,692,775
3.040 - Supplies and Materials	1,889,183	5,777,683	7,666,866
3.050 - Capital Outlay	1,778,571	2,117,388	3,895,959
3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
4.300 - Other Objects	1,214,322	2,008,910	3,223,232
4.500 - Total Expenditures	74,431,883	252,524,925	326,956,809
5.040 - Total Other Financing Uses	9,484	120,516	130,000
5.050 - Total Expenditures and Other Financing Uses	74,441,367	252,645,441	327,086,809
	Percentage of Annual Total	22.8%	77.2%

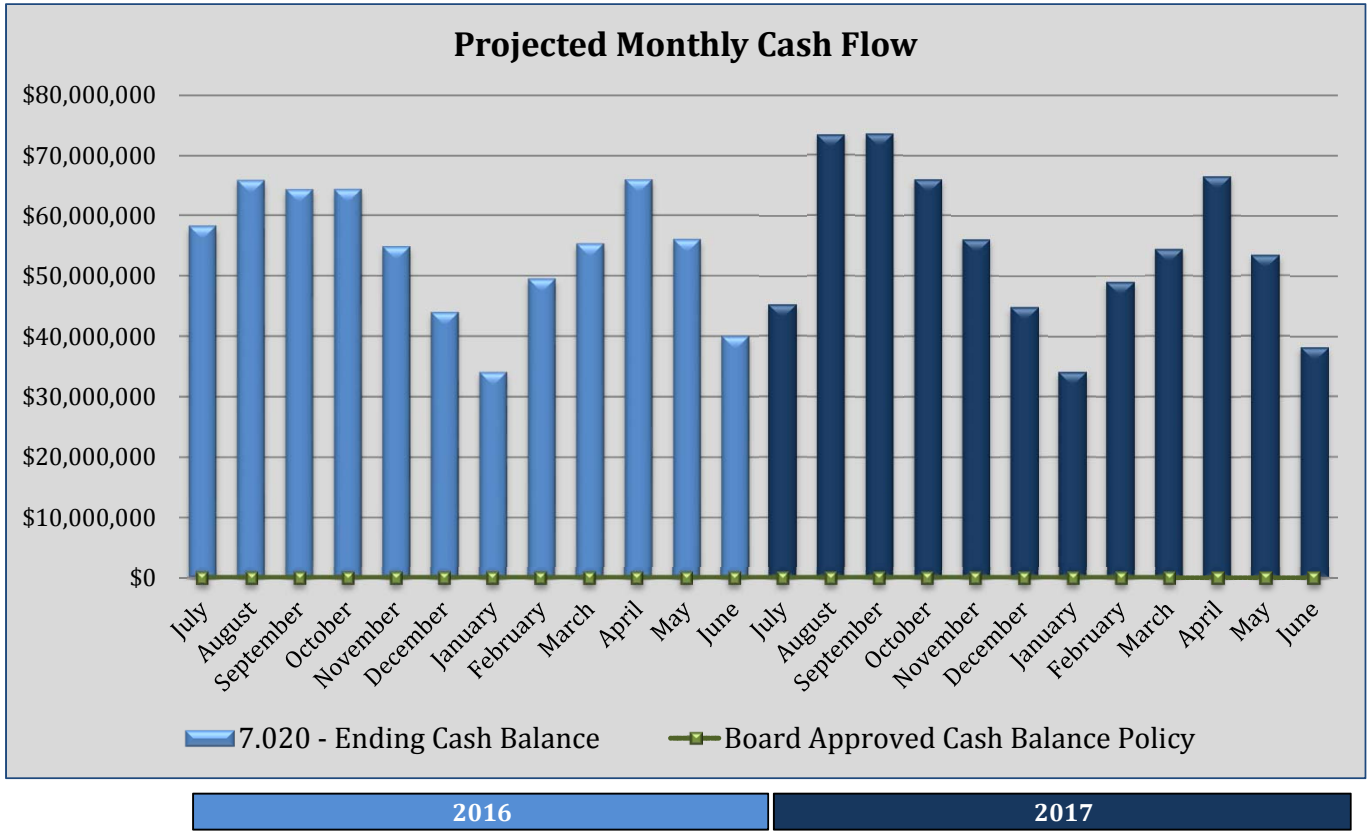
How does FYTD expenditures compare to prior years?

The district's actual expenses to-date are 22.8% of the annual total, in-line with prior years.

	% of Annual Total Expended July - September	% of Annual Remaining October - June
F.Y. 2016	22.8%	77.2%
F.Y. 2015	22.0%	78.0%
F.Y. 2014	22.0%	78.0%



Monthly Cash Balance Estimates Fiscal Years 2016 and 2017



In Perspective:

Monthly cash flow balances remain adequate through June 30, 2016.

**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
September 2015**

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	148,871,026.70	002 - First Merit Student Activity	705,575.00
Plus Receipts	41,002,235.95	005 - PNC Practical Nursing	4,299.00
Less Expenditures	42,042,970.19	007 - PNC Oma Evans	151,817.79
Ending Balance	<u>147,830,292.46</u>	008 - First Merit Schumacher	52.62
		015 - PNC Judy Resnik	6,241.73
		017 - First Merit AP/Payroll/CN	6,006,943.47
Outstanding Checks & Direct Deposits		018 - PNC Building Fund	5,925,000.00
002 - First Merit Student Activity Checks	20,598.26	026 - 5th/3rd	250,000.00
005 - PNC Practical Nursing Checks	-	034 - PNC General Fund Money Market	-
015 - PNC Judy Resnik Checks	-	037 - USBank Construction	33,232,099.60
017 - First Merit Accounts Payable Checks	2,029,023.73	038 - USBank PI Fund	15,032,585.20
017 - First Merit Payroll Checks	140,362.26	039 - USBank General Fund	20,273,056.17
017 - First Merit Payroll Direct Deposits	-		
018 - PNC Building Fund Checks	322,400.44		<u>81,587,670.58</u>
	<u>2,512,384.69</u>		
		Local Grant/Benefit CD's	
Pending Payroll Deductions		022 - First Merit CD	25,109.72
Federal/Medicare Withholding	709,658.40	029 - First Merit CD	5,000.00
State Tax	127,475.17	030 - First Merit CD	176,376.32
City Tax	324,457.86	032 - First Merit CD	91,782.16
SERS	320,086.40		<u>298,268.20</u>
School District Income Tax	1,423.54		
STRS	-	Investment Sweeps	
Valic	-	002 - First Merit Student Activity	950,000.00
ING (Voya)	-	017 - First Merit AP/Payroll/CN	57,650,000.00
Lincoln	-	018 - PNC Building Fund	11,384,046.98
Ohio Deferred Comp	9,269.94		<u>69,984,046.98</u>
MG Trust (Aspire)	3,852.50		
Towpath	-	Miscellaneous Bank Adjustments	
	<u>1,496,223.81</u>	Petty Cash	1,000.00
		Bank Charges to be Refunded	161.82
Miscellaneous Book Adjustments		Student Activity Payroll Deposit to 017	5,973.81
021 - Inventory Allowance	50,475.63	Building Fund Payroll Deposit to 017	584.39
022 - Insurance Accrual	(16,492.53)	Student Activity Deposit Not on Books	(5,650.61)
	<u>33,983.10</u>	Child Nutrition Deposit- Bank Error	55.35
		Deposit-in-Transit for Payroll	773.54
			<u>2,898.30</u>
Adjusted Book Balance	<u>\$ 151,872,884.06</u>	Adjusted Bank Balance	<u>\$ 151,872,884.06</u>